



NOMINATION AND REMUNERATION POLICY

1. Introduction

- 1.1 This policy on the nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors ("**Policy**").
- 1.2 This Policy is guided by the principles and objectives as enumerated in Section 178 (3) of the Companies Act, 2013 and the rules made thereunder, each as amended (the "**Act**") and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The Board has constituted a nomination and remuneration committee (the "**NRC** ") which is in compliance with the requirements of the Companies Act, 2013

2. Objectives and Role of the NR Committee

- 2.1 The NR Committee shall:
- A. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of Directors, Key Managerial Personnel and other employees;
 - B. Formulate the criteria for evaluation of performance, qualifications, positive attributes and independence of Independent Directors and the Board of Directors.
 - C. Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
 - D. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
 - E. Devise a policy on diversity of Board of Directors; and

3. Effective Date:

- 3.1 The following policy has been formulated by the NRC Committee and adopted by the Board of Directors at its meeting held on August 13, 2025.
- 3.2 This policy shall be operational with immediate effect.

4. Definitions:

- 4.1 **“Board” or “Board of Directors”**: - Board or Board of Directors means the board of directors of the Company.
- 4.2 **“Director”**: - Director means Director of the Company appointed in accordance with the Companies Act, 2013.
- 4.3 **“NRC”**: - NRC means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- 4.4 **“Company”**: - Company means Supriya Lifescience Limited.
- 4.5 **“Independent Director”**: - shall have the same meaning as defined under Section 149 (6) of read with Rules made thereunder and Regulation 16 (1) (b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 4.6 **“Key Managerial Personnel”**: - Key Managerial Personnel or KMP means-
- (i) the Executive Chairman;
 - (ii) Managing Director / Executive Director
 - (iii) the Company Secretary;
 - (iv) the Whole-Time Director;
 - (v) the Chief Financial Officer; and
 - (vi) Such other officer, designated as key managerial personnel by the Board, who is in whole-time employment at a level not more than one level below the directors..
- 4.7 **“Senior Management Personnel”**: - Senior Management Personnel includes officers & personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Managing Director/executive directors, including the functional heads by whatever names called & includes person’s identified & designated as Key Managerial Personnel, other than the Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. Constitution and Quorum of the NR Committee:

The Policy is prepared pursuant to Section 178 (3) of the Companies Act, 2013, Regulation 19 of SEBI (LODR) Regulations, 2015, read with Schedule III of SEBI (LODR) Regulations, 2015.

6. General Appointment Criteria:

- 6.1 The NRC shall be responsible for identifying suitable candidate for appointment as Director of the Company. While evaluating a person for appointment / re-appointment as Director, the Committee shall consider and evaluate number of factors including but not limited to background, knowledge, skills, abilities (ability to exercise sound judgement), professional experience and functional expertise, educational and professional background, personal accomplishment, age, experience of pharma sector / industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board. .
- 6.2 The proposed candidate shall possess appropriate expertise, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, medical science, pharmaceutical, corporate governance or such other areas related to the Company's business as determined by the NRC.
- 6.3 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.
- 6.4 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, and any other enactment for the time being in force which is applicable to the Company.

7. Additional Criteria for Appointment of Independent Directors:

- 7.1 The NRC shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of Section 149 of the Companies Act, 2013 (as amended from time to time).

8. Term / Tenure:

8.1 Executive Chairman/ Whole-time Director/Managing Director:

- A. The Company shall on the basis of the recommendation of NRC appoint or re-appoint any person as its Executive Chairman or Whole-time Director or Managing Director for a term not exceeding five years at a time or as may be prescribed under the Act. No re-appointment shall be made earlier than one year before the expiry of term.

8.2 Independent Director/ Non –Executive Director

- A. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- B. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on commencement of notification of Section 149 of Companies Act,2013 or such other date as may be determined by the NR Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- C. The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.
- D. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

8.3 APPOINTMENT OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:

- A. The Managing Director shall be responsible for identifying suitable candidate for the position of Key Managerial Personnel i.e. Chief Financial Officer, Company Secretary and other Senior Management Personnel;
- B. While evaluating a candidate for appointment as Key Managerial Personnel or Senior

Management Personnel factors such as, competence, integrity, qualifications, expertise, skills and experience shall be taken into consideration;

- C. The appointment of Key Managerial Personnel and Senior Management Personnel shall be approved by the Board on recommendation of the NRC and the MD.

9. Removal

- 9.1 Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground
- 9.2 The NRC may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
- 9.3 The removal of KMP & SMP should be approved by Board on basis of the recommendation of NRC.

10. Criteria for Evaluation of Independent Director and the Board

- 10.1 MD shall carry out the performance evaluation of all the SMPs and KMPs excluding himself / herself and the WTD.:
- 10.2 The evaluation process adopted by the Company shall always consider the appropriate benchmarks set as per industry standards, performance of the industry, the Company and of the individual KMP / SMP.
- 10.3 Evaluation of performance shall be carried out at least once in a year, in accordance with the existing evaluation process of the Company.

11. Board diversity:

- 11.1 The Board of Directors may have the combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate. These aspects shall also include age, gender, ethnicity, physical abilities, marital status, ideologies, background, knowledge and skills with a view to achieving a sustainable development, the Company shall aim to increase diversity at the Board level as an essential element in terms of:
 - A. Gender in having the right representation of female members to also ensure statutory compliance as applicable;
 - B. Experience of diverse nature;
 - C. Qualifications, Knowledge and core skills/ expertise / competencies required of the Board of Directors in context of company's business/ sector.

Diversity at the Board level shall be used as a tool for supporting the attainment of the strategic objectives of the Company and also to drive business results. Accordingly, while designing the composition of the Board, diversity shall be considered on all aspects and all appointments shall be based on the above parameters.

NRC shall review & evaluate Board composition to ensure that Board & its Committees have appropriate mix of expertise, skills, etc.

The Company is committed to meritocracy and shall respect diversity within the Board members and shall have an inclusive culture where all view shall be heard and all opinions respected.

12. Remuneration:

- 12.1 The NRC will recommend the remuneration to be paid to the Executive Chairman, Managing Director, Whole-time Director and KMP to the Board for their approval.
- 12.2 The level and composition of remuneration so determined by the NRC shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management Personnel of the quality required to run the Company successfully. The relationship of remuneration to performance should be made clear and should meet appropriate performance benchmarks.
- 12.3 The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
 - A. **Executive Chairman/Whole-time Director/Managing Director**
 1. The compensation paid to the executive directors (including Executive Chairman) will be within the scale approved by the shareholders. The elements of the total compensation, approved by the NRC will be within the overall limits specified under the Companies Act, 2013.
 2. Annual increments / subsequent variation in remuneration to the MD and WTD shall be approved by the NRC / Board of Directors, within the overall limits approved by the shareholders of the Company or Central Government.
 3. Remuneration shall be evaluated annually against performance and a benchmark of international and domestic companies, which are similar in size and complexity. Benchmark information shall be obtained from internationally recognised compensation service consultancies.
 4. Besides the above criteria, the remuneration/ compensation/ commission etc to be paid to Executive Chairman /Whole-time Director/Managing Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

5. The remuneration payable by the Company to the executive directors shall be subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.

B. Non-executive Directors

1. The Non- Executive Director shall receive sitting fees for attending meetings of Board or its Committee thereof. The remuneration/ commission/ compensation to the Non-Executive Directors will be determined by the NRC and recommended to the Board for its approval.
2. The remuneration/Commission payable by the Company to Non-Executive Directors shall be recommended by the NRC and subsequently approved by the Board ,subject to the conditions and limits specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements.
3. IDs shall not be eligible for any Stock Options, pursuant to any Stock Option Plan adopted by the Company.
4. .NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services in accordance with applicable laws.

C. KMPs / Senior Management Personnel etc.

1. The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
2. Remuneration shall be competitive and shall include salary comprising of both fixed and variable components, performance incentives and other benefits as per the policy of the Company, considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions.
3. The remuneration in whatever form payable to the KMPs and SMPs at the time of his / her appointment shall be recommended by the NRC and approved by the Board considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be a combination of fixed and variable pay.
4. Remuneration shall be evaluated annually, and annual increase shall be decided considering the performance of the individual and also of the Company. Industry practices / trends shall also be given due consideration. Annual increment / subsequent variation in remuneration to the KMPs / SMPs shall be approved by the NRC / the Board of Directors.

5. Remuneration can be reset at any time considering the benchmark of international and domestic companies, which are similar in size and complexity to the Company. Benchmark information shall be obtained from internationally recognised compensation service consultancies.
6. .NRC may consider grant of Stock Options to KMPs and SMPs pursuant to any Stock Option Plan adopted by the Company.

D. Directors' and Officers' Insurance

1. Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel unless otherwise specifically provided under the Act.
2. The premium paid by the Company for such insurance cover, called for Directors and Officers Liability Insurance Policy, taken for the above purpose shall be paid by the Company without any charge to the Directors, KMPs and SMPs.

13. Chairperson

- 13.1 Chairperson of the NRC shall be an Independent Director.
- 13.2 Chairperson of the Company may be appointed as a member of the NR Committee but shall not be a Chairperson of the NR Committee.
- 13.3 In the absence of the Chairman, the members of the NR Committee present at the meeting shall choose one amongst them to act as Chairperson.

14. Amendment, , Review and Disclosure of Information

- 14.1 This Policy and any changes thereof will be approved by the Board based on the recommendation(s) of the NRC as and when deemed fit. would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.
- 14.2 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail notwithstanding the provisions hereunder from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc..

15. Dissemination of Policy

- 15.1 This Policy shall also be published on the website of the Company and shall be mentioned in the annual report of the Company.